

**TESTIMONY OF JOHN LAMPE
EXECUTIVE VICE PRESIDENT
BRIDGESTONE/FIRESTONE, INC.**

**BEFORE THE
SENATE COMMERCE COMMITTEE
SEPTEMBER 12, 2000**

CHAIRMAN MCCAIN, SENATOR HOLLINGS, AND MEMBERS OF THIS COMMITTEE:

WE WANT TO THANK YOU FOR CALLING THIS HEARING. IT HAS BEEN A NEW EXPERIENCE FOR US TO BE APPEARING BEFORE CONGRESS, AND PROBABLY FOR ANY COMPANY TO BE SUBJECT TO SUCH AN INTENSE CONGRESSIONAL INVESTIGATION AS HAS OCCURRED OVER SUCH A SHORT PERIOD OF TIME. BUT, WE ARE GREATLY BENEFITING FROM THIS PROCESS TO LEARN ABOUT OUR OWN MISTAKES, AND TO WORK WITH YOU, MEMBERS OF THE COMMITTEE, TOWARD ENSURING THAT OUR TIRES AND ALL TIRES ARE AS SAFE AS POSSIBLE.

FIRESTONE HAS MANUFACTURED HUNDREDS OF MILLIONS OF SAFE TIRES FOR OVER ONE HUNDRED YEARS. AMERICANS HAVE DRIVEN BILLIONS OF SAFE MILES ON SAFE FIRESTONE TIRES. THAT IS WHY THIS SITUATION, WITH DEATHS AND SERIOUS INJURIES, MUST BE ADDRESSED AND SHOULD NEVER HAPPEN AGAIN.

IT IS LITTLE MORE THAN A MONTH AGO, ON AUGUST 8, THAT WE MET WITH THE NATIONAL HIGHWAY TRAFFIC AND SAFETY ADMINISTRATION AND TOGETHER REVIEWED THE PERFORMANCE OF TIRES THAT HAVE BEEN ASSOCIATED WITH TREAD SEPARATIONS. THESE ACCIDENTS HAVE PRIMARILY OCCURRED ON THE FORD EXPLORER VEHICLE. WE

REGRET THAT ALMOST 10% OF THOSE ROLLOVERS INVOLVED TIRE SEPARATIONS. IN LIGHT OF THAT FACT, WE ANNOUNCED A VOLUNTARY SAFETY RECALL OF 6.5 MILLION TIRES.

WE ARE RECALLING THOSE TIRES AS QUICKLY AS POSSIBLE. WE ARE MAKING EVERY EFFORT TO DETERMINE WHY CERTAIN TIRES FAILED. SO FAR, WE HAVE REPLACED 2 MILLION TIRES. ALTHOUGH WE SPED UP PRODUCTION, WE CANNOT MEET FULL DEMAND. TO HELP ALLEVIATE THAT PROBLEM, WE ARE PAYING FOR COMPETITOR TIRES TO ACT AS REPLACEMENTS. WE ARE REVIEWING EVERY ASPECT OF OUR MANUFACTURING AND CONTROL PROCESSES. WE ARE MAKING MICROSCOPIC EXAMINATIONS OF MANY RECALLED TIRES.

WE ALSO ARE TRYING TO WORK WITH FORD MOTOR COMPANY TO UNDERSTAND THE CAUSE. THIS HAS LED US TO UNDERSTAND A KEY POINT FOR THE FUTURE. THE GOVERNMENT AND OTHERS HAVE TENDED TO LOOK AT AUTO SAFETY AND TIRE SAFETY SEPARATELY. WE BELIEVE THAT IT IS IMPORTANT TO LOOK AT BOTH ISSUES TOGETHER. CORRECT TIRES MUST BE MATCHED WITH VEHICLES; THE MUTUAL DUTIES OF TIRE MANUFACTURERS AND AUTOMOBILE MANUFACTURERS MUST BE MADE ABSOLUTELY CLEAR. IF ONLY IT WERE POSSIBLE TO FIND A SIMPLE CAUSE, SUCH AS CERTAIN TIRES

MADE AT A CERTAIN TIME AND A CERTAIN PLANT, WE WOULD HAVE RESOLVED THE PROBLEM.

BUT, WE CANNOT TODAY PROVIDE YOU WITH A CONCLUSIVE CAUSE OF OUR PAST PROBLEMS. WE WILL NOT REST UNTIL WE DETERMINE THE CAUSE.

WE WISH TO TAKE THIS OPPORTUNITY TO CLARIFY SOME KEY POINTS THAT WERE RAISED AT LAST WEEK'S HEARINGS.

- FIRST, WHY DIDN'T WE IMMEDIATELY ALERT NHTSA AND THE AMERICAN PUBLIC WHEN INCIDENTS INVOLVING ROLLOVERS OCCURRED IN SAUDI ARABIA?
- SECOND, WHY DIDN'T WE ACT ON CLAIMS DATA AND IMMEDIATELY RECALL OUR TIRES?
- THIRD, DID WE ENCOURAGE FORD TO CONCEAL INFORMATION FROM NHTSA RELATING TO WHAT OCCURRED IN SAUDI ARABIA?
- FOURTH, DID FORD HAVE TO "PRY" INFORMATION OUT OF US RELEVANT TO POTENTIALLY SERIOUS OR FATAL INJURIES AS A RESULT OF ROLLOVER ACCIDENTS?
- FIFTH, ARE WE GOING TO MAKE AN ADDITIONAL RECALL OF THE 1.4 MILLION TIRES SUGGESTED BY NHTSA?

- SIXTH, WHAT SPEED TESTS DID WE CONDUCT OR NOT CONDUCT, AND WHY?
- SEVENTH, WHAT INFORMATION HAVE WE LEARNED ABOUT WHAT WENT WRONG AT OUR DECATUR PLANT IN 1995 AND 1996.

WE WILL PROVIDE THIS COMMITTEE OUR BEST ANSWERS TO THESE CRUCIAL QUESTIONS.

PERHAPS LEFT OUT OF THE KLIEG LIGHTS OF LAST WEEK'S HEARINGS, WHICH FOCUSED ON MATTERS OF THE PAST, WAS THE ACTIONS WE WILL TAKE NOW TO ASSURE THE AMERICAN PUBLIC THAT FIRESTONE TIRES ARE SAFE.

FIRST, WE WILL APPOINT AN OUTSIDE, INDEPENDENT INVESTIGATOR TO ASSIST IN TIRE ANALYSIS AND DETERMINE THE ROOT CAUSE OF THE TIRE PROBLEM. THIS INVESTIGATOR WILL HELP ASSURE YOU AND THE AMERICAN PUBLIC THAT FIRESTONE TIRES ARE RELIABLE NOW AND IN THE FUTURE.

SECOND, WE WILL FULLY COOPERATE WITH THIS COMMITTEE ABOUT TIRE SAFETY. WE WILL RELEASE DATA AND INFORMATION IN ORDER TO ASSURE CONSUMER SAFETY WITH OUR PRODUCTS.

THIRD, WE ARE ACCELERATING A ROLLOUT OF A NATIONWIDE CONSUMER EDUCATION PROGRAM. IF THERE IS ANY GOOD THAT HAS COME OUT OF THIS VERY BAD SITUATION, IT IS THE NEED FOR THE AMERICAN PEOPLE TO BE FULLY INFORMED ABOUT TIRE SAFETY. OUR EDUCATION PROGRAM WILL TAKE PLACE IN ALMOST 7,000 COMPANY STORES AND FIRESTONE DEALERS. IT WILL PROVIDE EVERYONE WITH INFORMATION ABOUT PROPER TIRE MAINTENANCE AND SAFETY. WE WILL USE IN-STORE VIDEOS, SHOWROOM DISPLAYS, BROCHURES, WINDSHIELD TIRE PRESSURE REMINDERS, AND TIRE PRESSURE GAUGES. WE WILL STRIVE TO ASSURE THAT ALL CONSUMERS UNDERSTAND THE SAFE USE OF TIRES.

FOURTH, WE PLEDGE TO CONTINUE TO WORK WITH NHTSA TOWARD DEVELOPING BETTER “EARLY WARNING SYSTEMS” ABOUT TIRE SAFETY. WE COMMEND NHTSA ADMINISTRATOR BAILEY FOR HER SUGGESTIONS. WE WILL INFORM NHTSA ABOUT RECALLS THAT OCCUR IN FOREIGN COUNTRIES. WE WILL WORK WITH NHTSA TO DEVELOP AN IN-VEHICLE SYSTEM TO ALERT DRIVERS ABOUT TIRE PRESSURE.

FIFTH, WE WILL WORK WITH THIS COMMITTEE TO DEVELOP ANY NECESSARY LEGISLATIVE REMEDIES THAT WILL ASSURE TO THE AMERICAN PUBLIC THAT THEIR TIRES AND VEHICLES ARE SAFE. THE DISTINCT ROLES OF TIRE AND VEHICLE MANUFACTURERS REGARDING

SAFETY NEED TO BE BROUGHT TOGETHER, RATHER THAN LOOKED AT SEPARATELY. WE WILL WORK WITH YOU TO BRING THIS DISCONNECT TO AN END.

WITH US TODAY ARE SOME LEADERS OF OUR UNION WORKERS. WE STAND UNITED AS WE WORK TOGETHER TO ASSURE MILLIONS OF FAMILIES THAT HAVE PUT THEIR TRUST AND FAITH IN FIRESTONE THAT, NOW AND IN THE FUTURE, WE WILL MANUFACTURE THE SAFE TIRES THAT EVERY CONSUMER CAN TRUST. MISTAKES CAN BE TRAGIC, BUT IT IS MORE TRAGIC NOT TO LEARN FROM THEM. WE WILL WORK WITH YOU IN THIS HEARING AND IN THE FUTURE TO ACHIEVE THAT GOAL.